



California Fair Political Practices Commission

May 9, 1989

Bonnie Knight
1100 N Street
Sacramento, CA 95814

Re: Your Request for Advice
Our File No. A-89-209

Dear Ms. Knight:

This is in response to your request for advice regarding permissible uses of campaign funds in conformance with the campaign disclosure provisions of the Political Reform Act (the "Act".)¹

QUESTION

May a political committee or a broad based political committee contribute campaign funds received prior to January 1, 1989, to an unsuccessful 1988 Assembly campaign for the purpose of paying off campaign debts?

CONCLUSION

A political committee or a broad based political committee may not contribute campaign funds received prior to January 1, 1989, to an unsuccessful 1988 Assembly campaign for the purpose of paying off campaign debts.

ANALYSIS

Proposition 73, approved by the voters on June 7, 1988, and operative January 1, 1989, regulates the use of campaign funds and political contributions. Section 85306 permits the use of campaign funds received prior to January 1, 1989, for any lawful purpose other than to support or oppose a candidacy for elective office.

¹ Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

Bonnie Knight
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The Commission has promulgated Regulation 18536.2 to implement the provisions of Section 85306. This regulation provides that an expenditure to "support or oppose a candidacy for elective office" includes:

(1) Any monetary or nonmonetary contribution from a candidate or committee to another candidate for state or local office, a committee controlled by one or more candidates for state or local office, or a committee formed primarily to support or oppose one or more candidates for state or local office.

(Regulation 18536.2(b)(1), copy enclosed.)

Section 82015 and Regulation 18215(a) (copy enclosed) define "contribution" as "any monetary ... payment made for political purposes for which full and adequate consideration is not made to the donor."

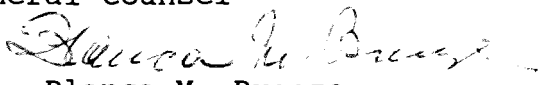
Pursuant to the above statutes and regulations, payments by a political committee or broad based political committee to an unsuccessful 1988 candidate are contributions if they are intended to retire a campaign debt and no consideration is given therefor. They would violate Section 85306 because they are contributions to support or oppose a candidacy for elective office. As discussed above, those contributions are prohibited.

The Commission considered the adoption of an emergency amendment to regulation 18536.2 at its regular meeting of May 2, 1989. The proposed amendment deletes from Regulation 18536.2 sections (b)(3) and (4), and section (c). These deletions, however, are not applicable to your facts and adoption of the emergency regulation would not alter our advice.

Do not hesitate to call me at (916) 322-5901 if I may be of further assistance.

Sincerely,

Kathryn E. Donovan
General Counsel


By: Blanca M. Breeze
Counsel, Legal Division

KED:BMB:plh

Enclosures

FPPC

APR 10 11 17 AM '89

April 10, 1989

Ms. Blanca Breeze
Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, CA 95814

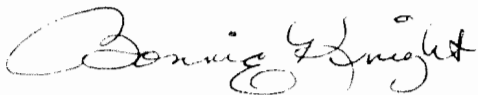
Dear Ms. Breeze:

I am requesting confirmation of the use of restricted funds in a specific instance. A political committee or a broad base political committee can contribute restricted funds to an unsuccessful 1988 Assembly campaign to pay off the debts.

per: Reg. 18536, 2 bA

Thank you for your assistance.

Sincerely,



Bonnie Knight
1100 N Street
Sacramento, CA 95814

APR 10 11:17 AM '89

April 10, 1989

Ms. Blanca Breeze
Fair Political Practices Commission
428 J Street, Suite 800
Sacramento, CA 95814

Dear Ms. Breeze:

I am requesting confirmation of the use of restricted funds in a specific instance. A political committee or a broad base political committee can contribute restricted funds to an unsuccessful 1988 Assembly campaign to pay off the debts.

pers Reg. 13536.2 bA

Thank you for your assistance.

Sincerely,



Bonnie Knight
1100 N Street
Sacramento, CA 95814



California Fair Political Practices Commission

April 12, 1989

Bonnie Knight
1100 N Steet
Sacramento, CA 95814

Re: Letter No. 89-209

Dear Ms. Knight:

Your letter requesting advice under the Political Reform Act was received on April 10, 1989 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact Blanca Breeze an attorney in the Legal Division, directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, the person assigned to prepare a response to your request will contact you shortly to advise you as to information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Diane M. Griffiths *leg. att.*
Diane M. Griffiths
General Counsel

DMG:plh